

EXPLANATION OF REVENUE AND OTHER FINANCING SOURCE ACCOUNTS

- 664 Interest and Rents Control - This is a mandatory account used to record interest, dividends, rents, and royalties earned or received on investments, certificates of deposits, or rental of surplus property. It does not include interest on delinquent taxes (See Account #445). All interest and rents may be credited to this single account or each type may be accounted for separately by utilizing Accounts #665 - 670. This account is a revenue by source control used for financial statement reporting purposes.

This account is:

DEBITED - with any adjustments and when closing this account to fund balance.

CREDITED - with interest, dividends, rent, and royalties earned.

- 665-668 When assigning these numbers to various interest and rents, the road commission should assign the numbers as listed in the column headed "subaccounts" in the index.

- 669 Equipment Rental Credits - This is a mandatory account used to record the Schedule 'C' (State provided) equipment rental credit for all equipment owned by the road commission; thereby, creating an offsetting credit for all expenditure charges for equipment rental.

This account is:

DEBITED - with any adjustments and in year end closing as shown on page 167.

CREDITED - with amount equal to rental charges for all owned equipment.

- 671 Other Revenue Control - This is a mandatory account used to record all other road commission revenue that cannot be classified in any other account. All "other revenue" may be credited to this account or each type may be accounted for separately by using Accounts #672 - 694. This account is a revenue by source control used for financial statement reporting purposes.

This account is:

DEBITED - with any adjustments and when closing this account to fund balance.

CREDITED - with all other revenue received or accrued.

- 672-687 When assigning these numbers to detailed accounts, use the numbers as listed in the "subaccounts" column in the index.

- 688 Trade-in Allowance - This is a mandatory account used to record the amount received for trade-in on the asset being disposed of at the time of purchasing a replacement asset (see pages 143-146 for additional information).

This account is:

DEBITED - with the amount representing the net value of the asset.

CREDITED - with the amount received for trade-in.

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- 689 Capital Asset Retirements - This is a mandatory account used to record the net book value of capital assets at the time of sale or disposal (see pages 143 – 146 for additional information).

This account is:

CREDITED - with the remaining value of the asset being removed .

- 690-692 When assigning these numbers to detailed accounts, use the numbers as listed in the “subaccounts” column in the index.

- 693 Gain or Loss on Disposal - This is a mandatory account used to record all gain or loss on disposal of capital assets. Account #693.01 is used for gain or loss on disposal of road equipment, Account #693.02 is used for gain or loss on disposal of other capital assets, and Account #693.03 is used for gain or loss on disposal of inventory items. The entry to this account reflects the difference between cash received in disposal and the remaining value of the capital asset.

This account is:

DEBITED - with the amount calculated to reflect a net loss on the disposal.

CREDITED - with the amount calculated to reflect a net gain on the disposal.

- 694 Cash Over and Short - This account is used to record petty cash discrepancies.

This account is:

DEBITED - with petty cash shortages.

CREDITED - with petty cash overages.

- 695 Other Financing Sources Control - This is a mandatory account used to record non-revenue items such as proceeds from loans, leases, sales of bonds or notes, insurance recoveries, “operating transfers in,” etc. Accounts #696 - 698 should be used to record the various types separately. Account #699 should be used only for “appropriation transfers in.” NOTE: Account #690.01 for Infrastructure Asset Depreciation is debited and credited for actual depreciation expenditure to comply with the modified accrual method.

This account is:

DEBITED - with any adjustments and when closing this account to fund balance.

CREDITED - with any amounts received or accrued that are nonrevenue items.

- 699 Transfers In - Control - This activity is found in the County Road Fund and Debt Service Fund. Its use is mandatory. Its purpose is to reflect transfers into (appropriation to) a fund. If individual detail is desired, the road commission may point off numbers as desired.

Transfers In - Detail - These activity numbers may be assigned by the road commission to account separately for appropriation transfers in.